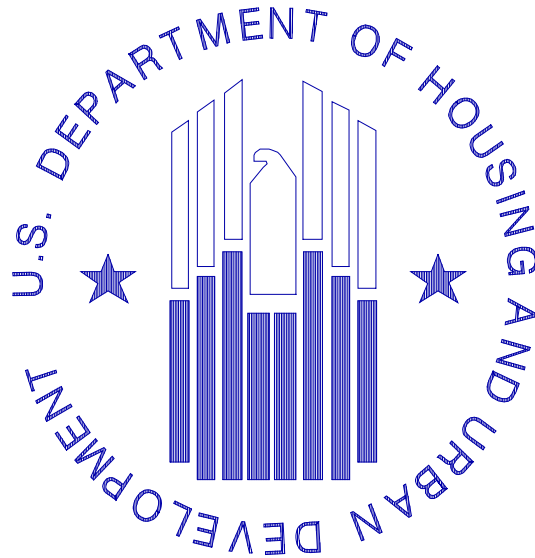


**U.S Department of Housing & Urban Development
Buffalo, New York Office**



**2019
Annual Community Assessment Report**

For

Erie County, New York

**Program Year of
April 1, 2019 – March 31, 2020**

INTRODUCTION

Erie County, as a recipient of HUD Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME) and Emergency Solutions Grant Program (ESG) funding, is required to annually review and report on its progress in carrying out the goals and priorities of its Consolidated Plan. The Consolidated Annual Performance and Evaluation Report (CAPER) is designed to be a tool to report the activities undertaken during the previous year to both HUD and local community stakeholders and residents. Prior to submission to HUD, a grantee must make its CAPER available for review by interested citizens and stakeholders.

HUD has a responsibility to review the CAPER and the community's performance on an annual basis. HUD relies on the CAPER, financial data and audits, program records, on-site monitoring, and other resources to evaluate a grantee's overall performance and effectiveness. HUD may also consider relevant information pertaining to a recipient's performance gained from other sources, including litigation, citizen comments, and other information provided by or concerning the recipient. This review is an on-going process; however, this report summarizes a community's performance and its continuing capacity to administer HUD funds. This report is prepared to provide feedback on Erie County's performance in the delivery of programs and services using HUD Community Development funds. This report consists of four sections:

Section I provides a general overview regarding compliance and reporting accuracy

Section II evaluates grantee performance in key crosscutting functions

Section III evaluates the progress and performance of each specific HUD program

Section IV provides recommendations and/or areas for improvement

Programs Administered and 2019 Funding Amounts:

Community Development Block Grant (CDBG)	\$3,047,317.00
Home Investment Partnerships Program (HOME)	\$ 825,749.00
Emergency Solutions Grant (ESG)	<u>\$ 231,429.00</u>
Total Funding Awarded:	\$4,104,495.00

Assessment Period:

April 1, 2019 – March 31, 2020
5th Year of a 5-Year Consolidated Plan

Section I - Summary of Consistency with Consolidated Plan & Annual Action Plans

HUD's review of the CAPER determined that Erie County followed the HUD-approved Consolidated Plan and Annual Action Plan during the 2019 program year. The activities undertaken during the year are consistent with the County's Consolidated Plan goals, objectives, and priority needs. These goals, objectives and priority needs as stated in Erie County's 2015 - 2019 Consolidated Plan included the following:

- *Infrastructure Development:* To improve sewer/water and sidewalks, and, in targeted low-income neighborhoods, improve storm drainage, flood protection facilities, and vehicular access to areas of employment, recreation, and commercial activity.
- *Public Facilities:* To construct, expand, or improve community centers, libraries, youth and senior centers, particularly in low income areas; develop, expand, and rehabilitate park, recreation, and open space facilities serving low income areas; and enhance commercial centers through improved façades, infrastructure, and other public enhancements.
- *Public Services:* To provide enhancements to senior service programs, such as day care, health and nutrition, employment, supportive housing, and transportation; provide housing counseling and fair housing services to low income persons, to improve access to decent, affordable housing.
- *Brownfield Redevelopment:* To provide technical assistance and funding for redevelopment of older urbanized areas that need additional assistance to succeed.
- *Business Development:* To provide financial and technical assistance to microenterprise businesses, and technical assistance and counseling to other types of businesses.
- *Housing:* To improve existing housing stock in neighborhoods and rural areas, assist with purchase of affordable housing, and support non-profit organizations in development of affordable housing.
- *Removal of Slum/Blight Conditions:* To demolish and clear buildings and land features that contribute to blight on a spot basis.
- *Homeless Needs:* To support operation of emergency shelters, provide rental assistance to prevent homelessness or re-house homeless persons, and provide supportive services to homeless individuals through housing search, counseling, and legal aid assistance.

The actual 2019 Program Year expenditures recorded in IDIS reflected that Erie County did expend HUD funds within the requirements of HUD funding regulations. The activities completed during this reporting period supported these goals, objectives, and priorities. Program activities and accomplishments were consistent with the Plan.

Performance Reports / CAPER Completeness

A Consolidated Annual Performance and Evaluation Report (CAPER) is due 90 days after the County completes its program year. The deadline was June 30, 2020. The County's 2019 CAPER was received in HUD's Buffalo Field Office on June 29, 2020. The report was determined to be substantially complete and adequately described the County's progress and performance throughout the program year. More detailed information and an assessment of accomplishments can be found in Section III of this report.

Section II - General Overview and Cross Cutting Areas

FHEO

Erie County's 2019 CAPER was evaluated by Region 2 Office of Fair Housing and Equal Opportunity (FHEO) on September 3, 2020 and determined that Erie County has adequately demonstrated its commitment to furthering fair housing. The County was specifically commended for the following actions taken to ameliorate identified Impediments to Fair Housing within the Jurisdiction:

- *A policy regarding receipt of federal CDBG Community Projects was imposed in 2010. It is now required that the locally designated Fair Housing/Affirmative Action Officer must have received training from Housing Opportunities Made Equal (HOME) officials within the last three years prior to the municipality receiving federal CDBG funds. Each municipality in the Erie County CDBG Consortium appoints a fair housing officer and the name of the officer is posted in the municipal building and on Erie County's website. This policy resulted in all Consortium communities attending a fair housing training within the last three years. Housing Opportunities Made Equal (HOME), under contract with Erie County, conducted 2 training workshops in 2019 to train fair housing officers that serve the Erie County CDBG Consortium. Fair housing information was disseminated by the municipalities. These actions by the County are commendable.*
- *The County continues to serve as a member of the Erie County Fair Housing Partnership. The goal of the Partnership is to address impediments identified in the AI document. One of the major initiatives of the partnership was advocating for a County-Wide Fair Housing Law. In 2019, the new Fair Housing Law was passed and filed with the State. The Erie County Fair Housing Board members have been appointed and a Designee from Erie County's Department of Environment and Planning is serving as an ex-officio member to the Board. The Board is responsible for implementing and enforcing the local law. Erie County's action are significant in this regard and commendable.*
- *With the goal of strengthening fair housing enforcement activities throughout Erie County, the County worked to adopt a Fair Housing Law in 2019. The law, drafted by the Partnership, will prohibit discrimination based on source of income and gender identity and expression. Erie County's action are significant in this regard and commendable.*

This CAPER did not indicate any substantial differences in the quantity of services or benefits to minorities as compared to non-minorities. According to the 2019 ACS, the Erie County Community Development Consortium is comprised of residents whose minority percentage is 4.8%. Although the County expended \$738,096 in HOME Program Funds during PY 2019, no contracts were awarded to MBEs/WBEs during the Program Year; all contract recipients were White. The County did indicate steps to ensure compliance with program requirements. There is no pending Department of Justice civil rights lawsuit nor letters of noncompliance findings.

HUD's FHEO Division has made the following recommendations:

1. The County should include a breakdown of the funds expended on any actions to overcome the impediments. Future CAPER submissions should indicate what funds were expended to accomplish the activities to address the impediments.
 - a. Response: *Erie County does provide a breakdown of all funds expended on any actions to overcome the impediments, and this information is readily available to the Buffalo HUD Field Office.*
2. The County's Language Assistance Plan (LAP) must be update regularly.
 - a. Response: *A copy of the most recent Language Assistance Plan (LAP) was submitted to the HUD Buffalo Field Office.*
3. If not yet completed, a Four Factor Analysis to reflect the Hispanic and Asian LEP populations in its jurisdiction must be conducted. FHEO staff can provide technical assistance and information can be obtained from www.lep.gov.
 - a. Response: *Erie County did complete its Four Factor Analysis to reflect the Hispanic and Asian LEP populations.*
4. The County must file its Section 3 SPEARS report for 2019 and submit electronically within 30-days of receipt of this correspondence.
 - a. Response: *Erie County did submit its 2019 report and a copy was forwarded to the HUD Buffalo Field Office.*
5. The County should identify a Section 3 "point of contact" so that FHEO staff can provide technical assistance regarding Section 3.
 - a. Response: *Erie County's "point of contact" is clearly identified and this information has been forwarded to HUD's Buffalo Field Office and FHEO Office.*

All questions and concerns should be addressed to Monique Williams, Equal Opportunity Specialist at Monique.x.Williams@hud.gov.

Citizen Participation

Erie County conducted the required hearings and public notifications to comply with the citizen participation requirements. Due to the COVID-19 pandemic, a public call-in hearing was held on Wednesday, June 24, 2020. Erie County did submit a notification of intent to use waiver to the Buffalo Field Office on April 17, 2020. Draft copies of the CAPER were mailed to all chief elected officials of the Consortium and Coordinating Committee. Erie County published public

notices of the CAPER's availability in two local newspapers, the *Buffalo News* on June 15, 2020, and the *Buffalo Criterion* on June 13, 2020. In addition, the draft CAPER was also available on the Erie County website. No comments were received.

HUD Compliance Monitoring

CDBG - The most recent compliance on-site monitoring was conducted during PY2015. There are no open findings.

HOME - The most recent compliance on-site monitoring was conducted during PY2014. There are no open findings.

ESG - The most recent compliance on-site monitoring was conducted in PY2016. There are no open findings.

Environmental Review (ER) – The most recent compliance on-site monitoring was conducted in PY2019. There are no open findings.

Subrecipient Oversight & Monitoring

Erie County does provide adequate oversight and regular monitoring for its subrecipients. These monitoring activities have been conducted to ensure long-term compliance with requirements of each entitlement program. A County monitor is assigned to each sub-recipient local government to educate and ensure that Davis-Bacon, MBE/WBE, and other federal requirements are understood. Community projects have been monitored by program staff monthly. This CAPER outlines the following monitoring compliance activities which are conducted every year:

- *Spot residency checks on first time home buyer recipients.*
- *Spot residency and income checks on housing and Rental Rehabilitation recipients.*
- *Compliance with income, rents, and other HOME requirements for CHDO projects.*
- *Updates of the Erie County Housing Program Policy and Procedures Manual.*
- *Preparation of the Consolidated Annual Performance Report (CAPER) that includes a thorough review of housing program performance relative to five-year housing goals*
- *Community projects have been monitored by program staff at monthly update meetings.*
- *Letters were forwarded to Mayors and Supervisors representing municipalities where progress is slow.*
- *Mid-year re-evaluation process of projects is conducted to identify developing issues/concerns.*

A monthly housing report is maintained by CDBG administrative staff to document and track notes payouts, current balances, and other items useful to the housing management section.

During PY2019, the following subrecipient monitoring activities were completed.

1. The Town of Hamburg's HOME grant program files were monitored on May 14, 2019.
2. Seven (7) projects were inspected on-site by the Senior Housing Inspector with no violations reported.
3. Five (5) CHDO projects received desk reviews and no findings were identified.

Management

Erie County continues to maintain a solid institutional structure and staff with several years of experience. It has demonstrated adequate capacity to manage and provide oversight of the HUD-funded programs. The County has participated with all training and technical assistance opportunities offered by HUD.

Financial

Audits - A Single Audit must be submitted each year, nine months from the end of the County's fiscal year. The County's Single Audit Report is current through 12/31/2018 and Federal Financial Reports are current through 3/31/2020. The 2019 single audit is not yet due. The financial information reported by Erie County on the IDIS PR26 report appears to be complete, accurate, and sufficiently detailed to document the overall condition of HUD programs.

Section III – Specific Program Progress and Performance

Community Development Block Grant (CDBG)

National Objective Compliance: The CDBG program was designed to principally benefit low- and moderate-income persons. According to the PR26 CDBG Financial Summary Report, Erie County spent **\$2,690,116.15** or **100%** percent of its non-administrative funds on activities that principally benefitted low-moderate income persons. All activities reported appear to meet a national objective.

Summary Use of CDBG funds during PY2019:

ACTIVITIES	FUNDS DISBURSED
Administration	\$450,665.26
5-year Con Plan and Analysis of Impediments Housing Choice Studies	\$ 54,083.00
Fair Housing Services – Belmont & Housing Opportunities Made Equal (H.O.M.E.)	\$ 56,437.79
CD Consortium Rehab Program	\$132,425.00
West Seneca Housing Rehab Loan Program	\$ 30,138.00
Emergency Rehab Program	\$117,922.00
Mobile Home Repair Program	\$ 63,313.00
Buffalo Erie Niagara Land Bank – Demolition Program	\$ 28,975.00
2019 Sanitary Sewer Lining – City of Tonawanda	\$100,000.00
Hollywood Theater Renovation – Village of Gowanda	\$100,000.00
Rural Transit Service	\$227,950.83
Senior Center Rehab and ADA Improvements – Town of Lancaster	\$ 52,089.60
Emporium Road Paving – Town of West Seneca	\$103,265.00
Well #1 Replacement – Village of Springfield	\$103,258.00

Milling and Paving of Holbrook Street – City of Lackawanna	\$103,800.00
Sidewalk Replacement – Village of Depew	\$103,800.00
Senior Citizen Bus Purchase – Town of Clarence	\$ 63,034.00
Senior Center HVAC Improvements – Town of Aurora	\$ 74,046.00
Lead Testing Services	\$ 19,175.00

Activities

Program activities were adequately described during the reporting period. CDBG funds were spent on activities that were eligible under program rules. The above “Activities” chart reflects 2019 program year spending. The CAPER and IDIS indicate that good progress was made towards meeting stated numeric goals for specific activities.

Accomplishments

- 3 projects were completed benefitting L/M income persons
- 1 Micro-Loan project was completed in the Town of Collins
- 4 façade improvement projects underway in the Village of Angola
- 3 façade improvement projects underway in the Hamlet of the Town of Eden
- 78 low and moderate-income households received housing assistance
- 1734 seniors and low-income people access to shopping and medical appointments via Rural Transit Service Program

Financial

Planning and Administration: Based on PR26 CDBG Activity Summary by Selected Grant report for 2019, Erie County has not exceeded the 20% grant-based administrative cap for any open CDBG grants since 2015. Erie County expended \$622,255.14 or 17.24% of its overall spending on planning and administration.

Public Services: According to the County’s 2019 CAPER and PR 26, Erie County expended \$364,629.41 or 12.13% of its overall spending on public services during PY2019. This is within the 15 percent limit.

Program Income: According to the County’s 2019 CAPER and PR26, Erie County ‘s CDBG programs generated program income of \$580,872.66. This was confirmed by a review of IDIS records.

IDIS Data: A review of the IDIS Report PR 02, List of Activities by Program Year and Project Report and PR 05, Drawdown Report by Project and Activity Reports does confirm that Erie County maintains data in IDIS in a timely and accurate manner. The County should continue to monitor its IDIS records regarding the status of activities at least quarterly.

Expenditure Timeliness: The CDBG program requires that the County’s unexpended CDBG funds be no more than 1.5 times their annual grant, 60-days before the end of the program year. Erie County did meet the timeliness test for February 1, 2020 with a timeliness ratio of 1.39%.

Please note: Line 38 (PA unliquidated obligations at end of current program year) of the PR26 was reported as \$0.00 which does not tie out to the balance reported on the PY2019 PR03 report of \$313,937.47. In addition, the amount on Line 39 (PA unliquidated obligations at end of previous program year) of the PR26 in the amount of \$0.00 does not tie out to Line 38 of the prior year (PY2018) PR26 report of \$337,079.38 as required. The amounts should match, and any necessary adjustments should be reported on Line 40 with a narrative explanation provided as an attachment to the CAPER. Although lines 38 and 39 appear to be misreported, it does not affect the Admin. cap (using the correct amounts does not cause the County to exceed the 20% cap).

Home Investment Partnerships (HOME)

Activities: Based on reported information, HOME-funded activities appear to be eligible and did meet program requirements.

Rentals: the HOME Summary of Accomplishments IDIS report (PR23) shows **\$223,002.61** was disbursed during the program year, one HOME rental unit was reported as completed and occupied by the end of the program year.

Existing Owners: **\$609,453.00** was disbursed for rehabilitation of owner-occupied housing, and 25 units were completed.

CHDO Projects: Erie County had twelve (12) CHDO projects during PY2019. All files were reviewed for eligibility including a verification of information submitted on the rent and occupancy report for rents charged and how incomes were calculated. HOME rents were at the appropriate level and relevant documentation were in good order. Seven (7) CHDO projects were selected for on-site inspections. The seven (7) projects included:

1. *Boston School Apartments*
2. *Burchfield Commons*
3. *Claire Court*
4. *Holly Housing*
5. *Victory Ridge*
6. *Academy Place*
7. *St. Paul's Place*

They were inspected by the Senior Housing Inspector and no violations were reported. In addition, five (5) CHDO projects were selected for desk review in PY2019 with no findings indicated. This compliance review included a verification of information submitted on the rent and occupancy report for rents charged and how incomes were calculated. All HOME rents charged were at the appropriate level and relevant source documentation was in good order. In PY 2019, Erie County continued the implementation a policy change regarding Affirmative Marketing Plan for Rental Housing which now requires all CHDO's to advertise in one minority paper of general circulation on an annual basis. In addition, all brochures and rental information should be made available to Erie County affordable housing organizations.

Beneficiary Compliance: All beneficiaries met the program requirement that household income be at or below 80 percent of area median income (AMI). In addition, all rental units completed during the program year were initially occupied by households with incomes at or below 60 percent AMI, which meets the program requirement that 90 percent of units be occupied by tenants with 60 percent AMI.

Financial

Commitments/Reservations/Disbursements: Erie County did not exceed the 10% administrative cap and the 15% CHDO set-aside for HOME funds.

Program Income: According to the City's 2019 CAPER, Erie County expended **\$125,932.00** in program income on owner occupied housing rehabilitation for low – moderate income persons.

Emergency Solutions Grant (ESG)

Activities: Erie County provided Rapid Re-Housing and Homeless Prevention during PY2019. No ESG funds were expended on street outreach or emergency shelter services. The county utilized two (2) subrecipients: Homeless Alliance of Western New York (HAWNY) and Restoration Society, Inc. (RSI). Erie County is an active partner with the Buffalo/Niagara Continuum of Care (NY-508). HUD has identified several system-wide performance benchmarks to measure its ESG Rapid Re-Housing and Homeless Prevention programs. This CoC community has prioritized the following performance measurements:

- Exit to permanent housing - 80%
- Increase/Maintain Earned Income - 30%
- Increase Other Income - 80%

Accomplishments

During PY2019, ESG activities were adequately described and funds were spent according to program rules. Based on the SAGE, HUD's HMIS system, the following performance standards for Rapid Re-Housing (RRH) and Homeless Prevention (HP) were achieved.

Homeless Prevention (HP)

- 23 adults served
- 91% served were at risk of becoming homeless
- 48% entered without income
- 14 adults exited
- 93% exited to permanent housing (PH)
- 100% of those exiting maintained or increased income

Rapid Re Housing (RRH)

- 21 adults served
- 100% were homeless
- 28% entered without income
- 8 adults exited
- 88% exited to permanent housing (PH)
- 100% of those exiting maintained or increased income

Based on IDIS PR91 reports, here is a summary of ESG funds for PY 2017, PY2018, PY2019:

ACTIVITIES	2017 Funds Drawn	% of Grant Drawn	2018 Funds Drawn	% of Grant Drawn	2019 Funds Drawn	% of Funds Drawn
Street Outreach	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
Shelter	\$52,016.00	23.72%	\$0.00	0.00%	\$0.00	0.00%
Homeless Prevention	\$50,103.44	22.85%	\$58,091.27	26.16%	\$4,501.26	1.94%
Rapid Re-Housing	\$88,720.11	40.46%	\$135,546.28	61.03%	\$0.00	0.00%
HMIS	\$12,000.00	5.47%	\$12,000.00	5.40%	\$10,000.00	4.32%
Administration	\$16,446.45	7.50%	\$16,446.45	7.41%	\$5,397.62	2.33%
Funds remaining to Draw	\$0.00	0%	\$0.00	0%	\$211,530.12	91.41%
TOTAL	\$219,286.00	100%	\$222,084.00	96.79%	\$18,195.00	8.59%

Financial

Commitments and Disbursements: ESG program regulations require that the County obligate or “commit” 100 percent of the grant award within 180 days after grant award, and that the County expend 100 percent of the grant within 24 months after grant award. **\$211,530.12** must be expended by 6/17/2021. The County appears to be committing funds and making disbursements for activities within the required timeframes. Program progress has been determined to be satisfactory.

Match Requirement: The ESG program requires a dollar-for-dollar or 100 percent match in cash or services. Erie County reported adequate match totaling **\$3,927,616.00** for PY2019 from local government funds.

Section IV – Summary and Recommendations

Based on the information that was available at the time of this review, HUD has determined that Erie County is administering its CDBG, HOME and ESG Programs in a satisfactory manner and has demonstrated continuing capacity to carry out these HUD Programs.

Recommendations

1. The County is encouraged to reach out to HUD’s FHEO Division regarding the FHEO recommendations specified in this report.
2. The County should continue to monitor its IDIS records regarding the status of activities at least quarterly.
3. The County should update its 2019 PR26 in IDIS to update line 38, 39 and 40.
4. The County is encouraged to take advantage of any training and technical assistance opportunities that will be offered by HUD.
5. The County is encouraged to utilize multiple methods to engage individuals with limited English proficiency.